GOVERNMENT OF INDIA
POWER
LOK SABHA

UNSTARRED QUESTION NO:1491
ANSWERED ON:09.03.2017
UDAY
Singh Shri Sushil Kumar

Will the Minister of POWER be pleased to state:

(a) the salient features of the Ujjwal Discom Assurance Yojana (UDAY) in the power sector and the details of the States which have joined the scheme so far;

(b) whether the Union Government proposes to give awards to the States and power discoms on the basis of their performance as per various norms under the Scheme, if so, the details thereof; and

(c) whether better performing States and power discoms in the country have been identified by the Government, if so, the details thereof?

Answer

THE MINISTER OF STATE (INDEPENDENT CHARGE) FOR POWER,
COAL, NEW & RENEWABLE ENERGY AND MINES

(SHRI PIYUSH GOYAL)

(a) & (b) : The Government of India has launched a scheme Ujjwal DISCOM Assurance Yojana (UDAY) on 20-11-2015 to improve financial and operational efficiencies of Power Distribution Companies (DISCOMs). UDAY aims to reduce the burden of interest, cost of power and Aggregate Technical & Commercial (AT&C) losses. The scheme also seeks to reduce the gap between Average Cost of Supply (ACS) and Average Revenue Realized (ARR) to zero as per defined trajectories.

The Scheme incentivizes the States by exempting State takeover of DISCOM debts from Fiscal Responsibility and Budget Management (FRBM) limits for two years; increased supply of domestic coal; coal linkage rationalization; liberally allowing coal swaps from inefficient to efficient plants; allocation of coal linkages to States at notified prices.
The Scheme also envisages additional/priority funding in schemes of Ministry of Power (MoP) and Ministry of New and Renewable Energy (MNRE), if they meet the operational milestones in the scheme.

So far, Twenty two (22) States/UTs namely Andhra Pradesh, Assam, Bihar, Chhattisgarh, Goa, Gujarat, Haryana, Himachal Pradesh, Jammu & Kashmir, Jharkhand, Karnataka, Madhya Pradesh, Maharashtra, Manipur, Punjab, Rajasthan, Sikkim, Tamil Nadu, Telangana, Uttar Pradesh, Uttarakhand and Puducherry have signed the Memorandum of Understanding (MoU) with the Ministry of Power (MoP) under UDAY.

(c) : The process of analyzing the performance of states and power DISCOMs is a continuous process. While confirmed performance is available at the end of each financial year when the annual accounts of utilities are finalized, the UDAY portal (www.uday.gov.in) updates the broadbased relative performance of the States, based on progress made in various parameters.
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